

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

**JUAN FRANCISCO ZELAYA PONCE  
and JUAN CARLOS CASTILLO**

**Plaintiffs,**

**v.**

**PHILLY TILE, INC. and KYLE  
PERLMAN**

**Defendants.**

**CIVIL ACTION NO. 21-2596**

**ORDER**

**AND NOW**, this 3rd day of January 2023, after a hearing held this date which was attended by counsel for Plaintiff and counsel for Philly Tile, Inc., and which Plaintiffs were excused from attending, but Defendants Philly Tile, Inc. and Kyle Perlman were directed to attend and failed to appear despite being served,<sup>1</sup> it is hereby **ORDERED** that:

1. The Motion to Enforce Settlement Agreement [Doc. No. 17] is **GRANTED** as follows:
  - a. Judgment is **ENTERED** in favor of Plaintiffs, Juan Francisco Zelaya Ponce and Juan Carlos Castillo, and against Philly Tile, Inc. and Kyle Perlman, jointly and severally, in the amount of **\$17,000** plus post-judgment interest pursuant to 28 U.S.C. § 1961 from the date of judgment.<sup>2</sup>
  - b. Defendants shall pay the Judgment in full within **14 days** of the date of this Order.

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<sup>1</sup> The Court is satisfied that Defendants received notice of the hearings based upon the certificates of service and the fact that Mr. Perlman filed a disparaging online review of the law firm of Plaintiffs' counsel after being served with the Court's order of December 7, 2022.

<sup>2</sup> As no judgment was entered earlier, and as the Settlement Agreement does not refer to interest, post-judgment interest begins to run from the date of judgment, which is the date of this Order. Pursuant to 28 U.S.C. § 1961, judgment is calculated at the rate of \$2.18 per day.

- c. Defendants shall comply with Paragraph 7 of the Settlement Agreement, the non-disparagement clause, and shall remove any online communications that violate this provision immediately.<sup>3</sup>
- d. Defendants shall pay **\$2,500** in reasonable attorneys' fees associated with bringing the motion to enforce and related proceedings. Payment shall be made within **14 days** of the date of this Order.

2. The Court finds Defendants in **CIVIL CONTEMPT** for failure to appear at the hearings on December 7, 2022, and January 3, 2023, and imposes a sanction of **\$1,500**.

However, the Court will waive this sanction if Defendants pay in full the judgment, post-judgment interest, and the award of \$2,500 in attorneys' fees within **14 days** of the date of this Order.

3. Counsel for Plaintiffs shall notify the Court promptly if Defendants comply with this Order, in whole or in part. If Defendants do not comply fully with this Order, then a hearing will be held on **January 18, 2023 at 1:00 p.m.** in Courtroom 12-A, United States Courthouse, 601 Market Street, Philadelphia, PA 19106, at which Defendants Kyle Perlman and Philly Tile, Inc. **must appear** and **SHOW CAUSE** as to why they should not be held in further contempt. If

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<sup>3</sup> Paragraph 7 of the Settlement Agreement provides:

**7. Mutual Non-Disparagement.** The Parties agree they will not in any manner whatsoever, directly or indirectly, disparage each other. Defendants specifically agree not to publish or cause to be published any disparaging online communications, including but not limited to business reviews or social media posts, concerning Plaintiffs' counsel, Murphy Law Group, LLC or any members or employees of the Murphy Law Group, LLC, and further agree to remove any such disparaging communications, reviews, or posts already published as of the date of this Agreement.

Defendants do not pay the judgment, post-judgment interest, and attorneys' fees and do not appear at the hearing, a warrant for the arrest of Kyle Perlman may be issued.

4. Defendants' counsel renewed motion to withdraw as counsel, raised by oral motion at the hearing held this date, is **GRANTED**. The representation of Kevin I. Lovitz, Esquire, and the Lovitz Law Firm, P.C., is **WITHDRAWN** as to Defendant Philly Tile, Inc., the Court having determined that no further purpose will be served by the continuing representation.<sup>4</sup>

5. The Court may issue a memorandum opinion or additional order setting forth further facts and findings at a later time.

6. It is further **ORDERED** that counsel for Defendants shall serve a copy of this Order upon Philly Tile, Inc. and Kyle Perlman **forthwith** by any means reasonably available, including email and overnight delivery to all known addresses and shall file a certificate of service.

It is so **ORDERED**.

**BY THE COURT:**

**/s/ Cynthia M. Rufe**

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**CYNTHIA M. RUFE, J.**

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<sup>4</sup> The Court granted an earlier motion to withdraw as to Defendant Kyle Perlman, and denied it without prejudice as to Defendant Philly Tile, Inc.